OPEN MEETING



ORIGINAL

<u>MEMORANDUM</u>

TO:

THE COMMISSION

FROM:

Utilities Division

DATE:

October 2, 2009

RE:

IN THE MATTER OF THE APPLICATION OF LIVCO WATER COMPANY AND

LIVCO SEWER COMPANY FOR AN EXTENSION OF THEIR CERTIFICATES OF CONVENIENCE AND NECESSITY (DOCKET NOS. W-02121A-06-0316 AND

SW-02563A-06-0316)

On May 4, 2006, Livco Water Company, Inc. ("LWC") and Livco Sewer Company ("LSC") (collectively, "Companies") filed a joint application for an extension of their existing Certificates of Convenience and Necessity ("CC&N").

On January 19, 2007, the Commission issued Decision No. 69258 granting an Order Preliminary to the issuance of a CC&N upon completion of the requirements contained in Findings of Fact No. 26.

On August 6, 2009, the Commission issued Decision No. 71246 amending Decision No. 69258. On August 28, 2009, the Companies docketed a Motion for Final Order to the Issuance of a Certificate of Convenience and Necessity. In this filing, the Companies stated that they have met all compliance requirements set forth in the Decision which are necessary for the issuance of the full CC&N.

Based on its analysis, Staff has concluded that LWC and LSC have complied with all the requirements set forth in the Order Preliminary. Staff, therefore, recommends that the Commission issue a Final Order approving the extension of the Companies' CC&Ns to provide water and wastewater service in Apache County, Arizona.

Steven M. Olea

Director

Utilities Division

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Z CORP COMPLESION

BEFORE THE ARIZONA CORPORATION COMMISSION 1 KRISTIN K. MAYES Chairman **GARY PIERCE** 3 Commissioner PAUL NEWMAN 4 Commissioner SANDRA D. KENNEDY 5 Commissioner BOB STUMP 6 Commissioner 7 DOCKET NO. W-02121A-06-0316 IN THE MATTER OF THE APPLICATION 8 OF LIVCO WATER COMPANY FOR AN EXTENSION OF ITS CERTIFICATE OF 9 CONVENIENCE AND NECESSITY FOR 10 THE PROVISION OF WATER SERVICE IN PORTIONS OF APACHE COUNTY, 11 **ARIZONA** 12 IN THE MATTER OF THE APPLICATION DOCKET NO. SW-02563A-06-0316 OF LIVCO SEWER COMPANY FOR AN 13 EXTENSION OF ITS CERTIFICATE OF 14 CONVENIENCE AND NECESSITY FOR DECISION NO. _ THE PROVISION OF WASTEWATER 15 SERVICE IN PORTIONS OF APACHE FINAL ORDER COUNTY, ARIZONA 16 17 Open Meeting 18 October 20 and 21, 2009 Phoenix, Arizona 19 BY THE COMMISSION: 2.0 Having considered the entire record herein and being fully advised in the premises, the 21 Arizona Corporation Commission ("Commission") finds, concludes, and orders that: 22 FINDINGS OF FACT 23 On May 4, 2006, Livco Water Company, Inc. ("LWC") and Livco Sewer Company 1. 24 ("LSC") (collectively, "Companies") filed a joint application for an extension of their existing 25 Certificates of Convenience and Necessity ("CC&N")with the Arizona Corporation Commission 26

("Commission") to provide water and wastewater utility service in Apache County, Arizona.

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- 2. On January 19, 2007, the Commission issued Decision No. 69258 which was amended by Decision No. 71246 on August 6, 2009, granting an Order Preliminary to the issuance of the CC&N to LWC and LSC upon completion of the following compliance items:
 - a) LWC file a copy of the developer's Letter of Adequate Water Supply or Physical Availability Determination for Units One, Three, 33 and Concho West;
 - b) LWC and LSC file a copy of the Apache County franchise agreement for the extension area which covers specifically all of Sections 7, 29 and 33, and Concho West in Section 18, all in Township 12 North, Range 26 East;
- 3. On August 28, 2009, and as required by Decision No. 69258, LWC and LSC filed a Motion for Final Order because they had complied with the above requirements. Based on its analysis, Staff has concluded that LWC and LSC have complied with all requirements set forth in the Order Preliminary. Staff therefore recommends that the Commission issue a Final Order approving the extension of the Companies' CC&Ns to provide water and wastewater service in Apache County, Arizona.
 - 4. Staff's recommendations are reasonable and shall be adopted.

CONCLUSIONS OF LAW

- 1. LWC and LSC are a public service corporation within the meaning of Article XV of the Arizona Constitution and Arizona Revised Statutes ("A.R.S.") §§ 40-281 and 40-282.
- 2. The Commission has jurisdiction over LWC and LSC and over the subject matter of the Motion.
- 3. In accordance with the Order Preliminary issued pursuant to A.R.S. § 40-282(D), LWC and LSC have complied with all conditions set forth therein.
 - 4. Pursuant to A.R.S. § 40-282(D), it is appropriate to issue a Final Order.

ORDER

IT IS THEREFORE ORDERED that the application of Livco Water Company and Livco Sewer Company for issuance of a Certificate of Convenience and Necessity to provide water and wastewater services to the public in the area more fully described in Exhibit A, be and hereby is approved.

Decision No.	
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1	IT IS FURTHER ORDERED that Livco Water Company and Livco Sewer Company shall				
2	charge water and wastewater customers in the areas described in Exhibit A their existing rates and				
3	charges until further Order by the Commission.				
4	IT IS FURTHER ORDERED that Livco Water Company and Livco Sewer Company shall				
5	file, as part of their annual reports, an affidavit with Docket Control attesting that Livco Water				
6	Company and Livco Sewer Company are current on paying their property taxes in Arizona.				
7	IT IS FURTHER ORDERED that this Decision shall become effective immediately.				
8		•			
9	BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION				
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1	CHAIRMAN	COMM	ISSIONER		
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13					
14	COMMISSIONER	COMMISSIONER	COMMISSIONER		
15					
16		IN WITNESS WHEREOF	F, I, ERNEST G. JOHNSON,		
17	have helening, set my mand and backed the street and				
18	this Commission to be affixed at the Capitol, in the City Phoenix, this day of, 2009.				
19		,			
20					
21		ERNEST G. JOHNSON			
22		EXECUTIVE DIRECTOR			
23	DIGGENT.				
24	DISSENT:				
25	DISSENT:				
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Decision No.

Decision No.

SERVICE LIST FOR: LIVCO WATER COMPANY and LIVCO SEWER COMPANY 1 W-02121A-06-0316 and SW-02563A-06-0316 DOCKET NOS.: 2 3 Mr. Steve Wene Moyes, Sellers & Sims, Ltd. 4 1850 North Central Avenue, Suite 1100 Phoenix, Arizona 85004 5 Attorney for Livco Water & Livco Sewer 6 Mr. Steven M. Olea 7 Director, Utilities Division Arizona Corporation Commission 8 1200 West Washington Street Phoenix, Arizona 85007 9 10 Ms. Janice M. Alward Chief, Legal Division 11 Arizona Corporation Commission 1200 West Washington Street 12 Phoenix, Arizona 85007 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

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Docket Nos. W-02121A-06-0316, et al.

EXHIBIT A

Decision No.

EXHIBIT A

LIVCO WATER COMPANY AND LIVCO SEWER COMPANY DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316 AMENDED LEGAL DESCRIPTION

REQUESTED WATER EXPANSION AREA

Parcel 1

Concho West Shore Subdivision – A portion of Sections 7 and 18, Township 12 North, Range 26 East, Gila and Salt River Base and Meridian, Apache County, Arizona, more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18; THENCE South 86° 00° 07" West along the common boundary between Sections 7 and 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING;

THENCE South 00° 50' 31" West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South 86° 24' 11" West, a distance of 426.43 feet from the Northeast 1/16 Section corner;

THENCE South 86° 24' 11" West along said 1/16 Section line, a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61;

THENCE North 18' 33' 42" East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvature;

THENCE Northerly along the right-of-way boundary and along a curve being concave to the East, having a radius of 3,745 feet, through a central angle of 05° 14' 54", a distance of 343.05 feet:

THENCE South 69° 00' 28" East, a distance of 361.78 feet;

THENCE South 00° 50' 31" West, a distance of 118.16 feet to the TRUE POINT OF BEGINNING.

Containing 23.04 acres, more or less Subject to any existing easements or restrictions

Parcel 2

All of Section 7 except Parcel 1 and those areas previously certificated to the Company

Parcel 3

All of Section 29 except those areas previously certificated to the Company

Parcel 4

All of Section 33

All located in Township 12 North, Range 26 East, G&SRB&M, Apache County, Arizona

DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316 AMENDED LEGAL DESCRIPTION

REQUESTED SEWER EXPANSION AREA

Parcel 1

Concho West Shore Subdivision – A portion of Sections 7 and 18, Township 12 North, Range 26 East, Gila and Salt River Base and Meridian, Apache County, Arizona, more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18; THENCE South 86° 00' 07" West along the common boundary between Sections 7 and 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING;

THENCE South 00° 50' 31" West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South 86° 24' 11" West, a distance of 426.43 feet from the Northeast 1/16 Section corner;

THENCE South 86° 24' 11" West along said 1/16 Section line, a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61;

THENCE North 18° 33' 42" East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvature;

THENCE Northerly along the right-of-way boundary and along a curve being concave to the East, having a radius of 3,745 feet, through a central angle of 05° 14′ 54″, a distance of 343.05 feet;

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